

The Highland Council
Resources Committee – 27 May 2015

Agenda Item	11
Report No	RES/ 37/15

Finance Service - Quarterly Performance Report

Report by Director of Finance

Summary

This report provides a summary of key and statutory performance indicators for the Finance Service as at 31st March 2015.

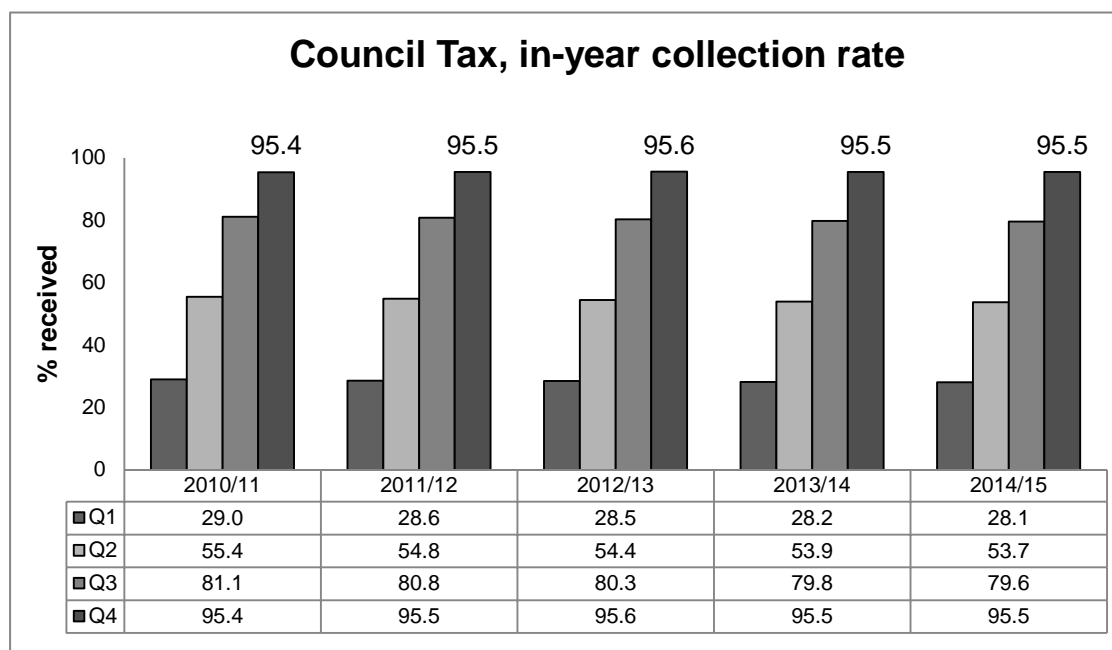
1. Background

- 1.1 This report includes performance against the Accounts Commission's Statutory Performance Indicators (SPIs) together with key performance measures for the Finance Service.
- 1.2 Current year figures are compared with those from the corresponding period in the previous financial year where these are available. In addition, figures from previous years are included where appropriate so that trends may be identified.
- 1.3 Where definitions have changed, direct comparisons can only be made within the time period to which that definition has applied.
- 1.4 Reports will continue to be brought to Committee on these performance indicators on a quarterly basis so that trends can be monitored.
- 1.5 A list of the current SPIs for the Finance Service is attached as **Appendix 1**.
- 1.6 Although performance is generally very good across the range of indicators presented within this report, the Finance Service continues to look at unit costs. The Service is undertaking further work in this area as part of the requirement to deliver further efficiency savings.

2. Finance Service, Quarterly performance reporting

2.1 Council Tax In-Year Collection Rate

2.1.1



2.1.2 Council Tax in-year collection performance is 95.5%. Direct debits made up 66.7% of bill payment which represents 79.9% of receipts.

2.1.3 During Quarter 4, the Finance Service commenced a Single Occupancy Discount Review. Council Tax Payers who live by themselves are entitled to a Single Occupancy Discount which reduces their Council Tax bill by 25%. When counting the number of adults living in a property, some people who meet specific conditions are not included such as Students, Apprentices and Carers.

2.1.4 For the first time, a review of all Single Occupancy Discounts has been undertaken. There are over 37,000 accounts (of the total 114,600) that have a single occupancy discount in payment.

2.1.5 This Review is one of the Finance Service's budget savings for 2015/16–18/19 approved at Full Council on 18 December 2014. This exercise, which is electronic data matching, has been planned and put in place ahead of the start of 2015/16 to achieve the full year effect and deliver savings by increasing income in the region of £400K from Council Tax from 2015/16.

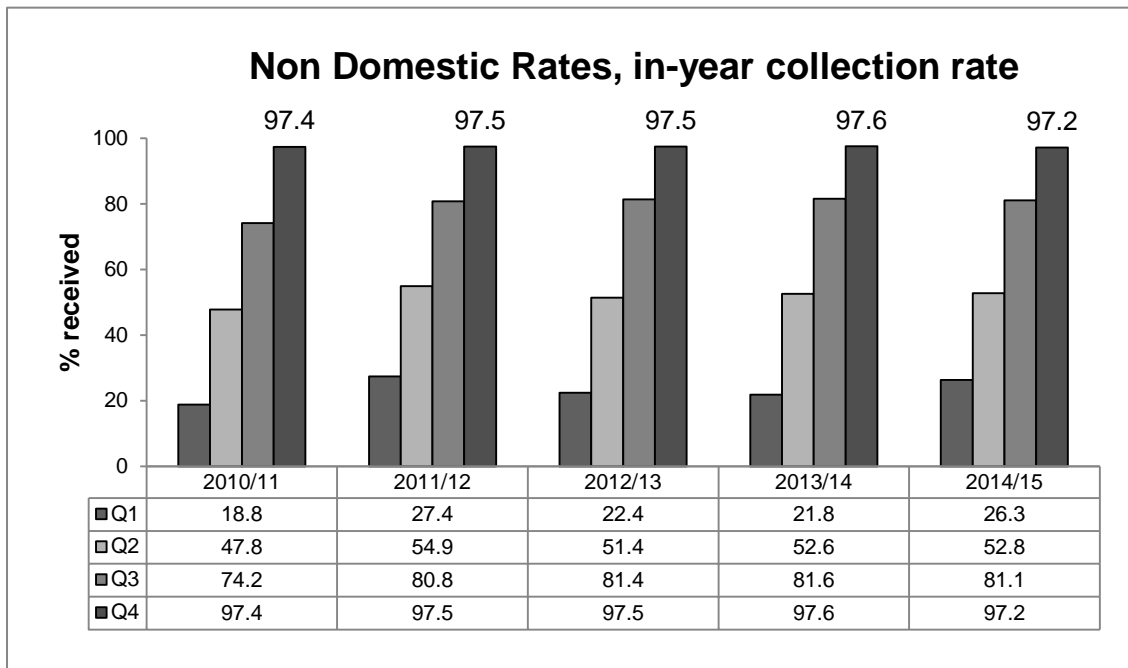
2.1.6 Undertaking this review in advance of 2015/16 has also resulted in some account changes being in respect of 2014/15 liability. The additional income due in respect of 2014/15 is 230K and is due to be paid during 2015/16; 220K would be collected based on a 95% collection rate.

2.1.7 This additional Council Tax due has been excluded from the reported 95.5% collection rates achieved to ensure collection rates reported remain on "like-

for-like basis”. As this exercise has recently been undertaken, including therefore billing, the debt is not actually due until 2015/16. The additional Council Tax due is equivalent to 0.3% of net tax due. The Review being undertaken in advance of 2015/16 assists not only the delivery of the approved saving for 2015/16 but also provides a one-off income injection in respect of 2014/15 Council Tax income of approximately £220K.

2.2 Non Domestic Rates in-Year Collection Rate

2.2.1

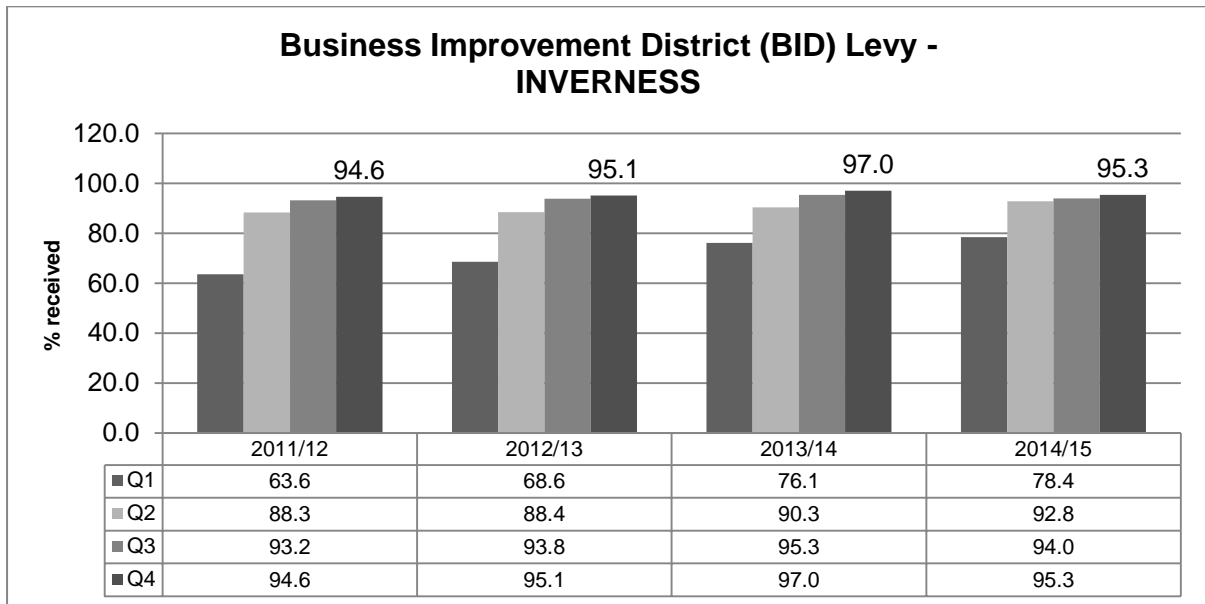


2.2.2 The end of quarter four position shows Non Domestic Rates in-year collection rate 0.4% lower than prior year. This does perhaps reflect the challenges that some businesses continue to experience in the economic climate and the Council continues to take recovery action to recover arrears.

2.2.3 The Council also continues to use all relevant measures available under the Rating regime to assist local businesses in difficult times; measures include encouraging payment by monthly instalments and supporting businesses to claim available rates relief.

2.3 Business Improvement District (BID) Levy

2.3.1



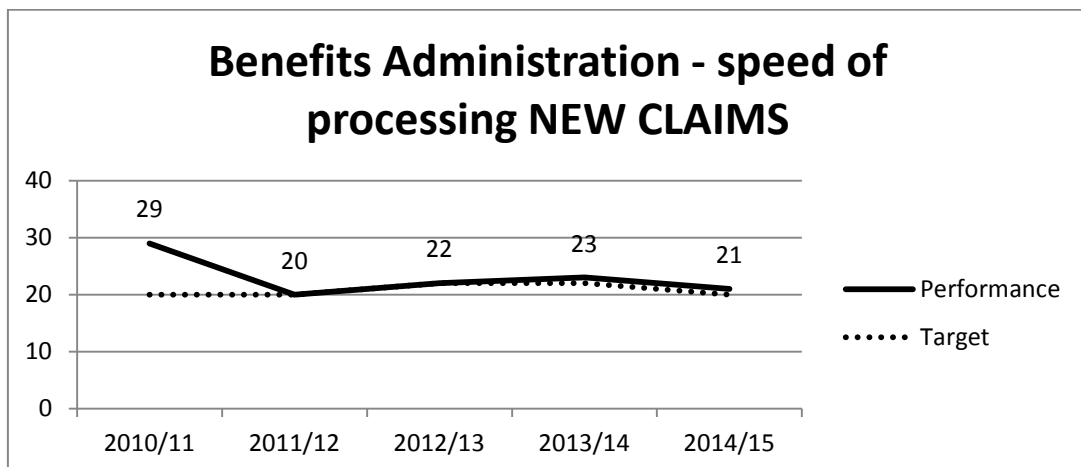
2.3.2 This indicator is a measure of how relevant businesses in Inverness are paying the Business Improvement District levy.

2.3.3 The collection rate for 2014/15 shows a reduction of 1.7% on prior year but 0.2% higher than 2012/13.

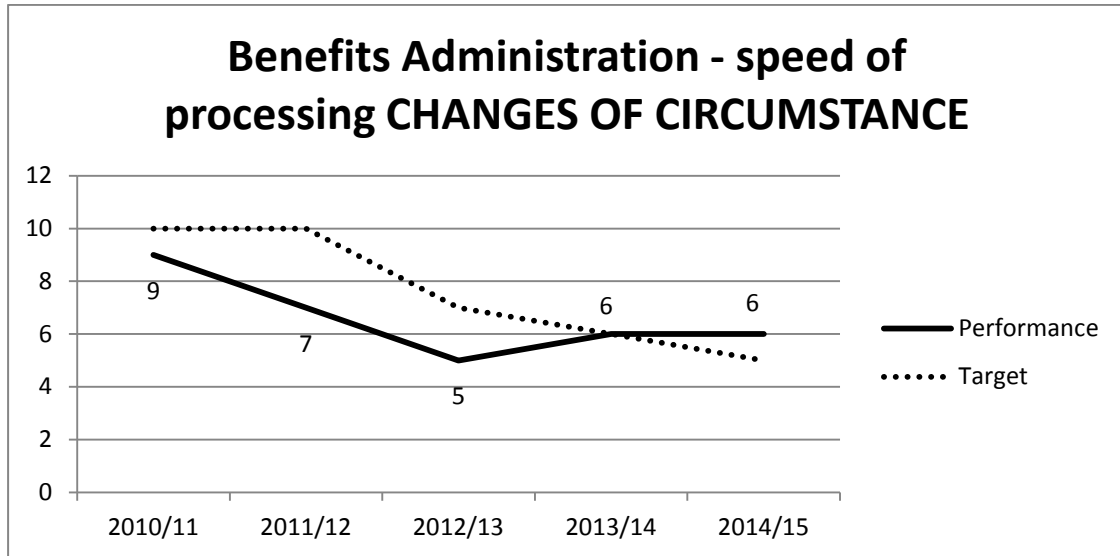
2.3.4 The collection rate for 2014/15 of the new Loch Ness & Inverness Tourism (Uniqueness) BID is 96.5%. This is the first year of this with initial bills being issued on 8 May 2014. Future reports will include trends when more data is available.

2.4 Benefits Administration - Speed of processing (days)

2.4.1i



2.4.1.ii



2.4.2 These indicators reflect the Council's ability to process work as quickly as possible to ensure applicants receive their entitlement on time and at the correct rate.

2.4.3 During 2014/15, more challenging targets were set of 20 days for new claims and 5 days for changes in circumstances. Although the new claims processing performance missed the new target, it was an improvement of nearly 10% to 21 days on prior year performance. Change in circumstances performance has remained at prior year levels.

2.5 Winter Payments

2.5.1 The Inverness Winter Payments Scheme (the scheme) is funded by the Inverness Common Good Fund. It is designed to help those members of the Inverness community who are most in need of financial support meet their fuel costs during the coldest months of the year when extra fuel is needed.

2.5.2 The scheme runs from December to February each year. Revenues & Business Support undertook a review of the processes including

- For 2014/15, the scheme was administered by the Operations Team in Revenues; previously it was administered by the Income Maximisation Team in Revenues but such administration absorbed precious time away from helping customers maximise potential entitlements to other benefits
- The Operations Team already held the required supporting evidence for some customers via Housing Benefit and Council Tax Reduction applications. Such data sharing allowed removal of the need for some customers to provide evidence already held.
- The introduction of an automatic entitlement without the need to complete any additional paperwork for customers who received a Scottish Welfare Fund Crisis Grant and who had a fuel liability during the period December 2014 to February 2015. This process was seamless as the Scottish

Welfare Fund is also administered by the (same) Operations Team. The new way of working, especially removing the need for customers to provide some supporting information and some automatic entitlement also resulted in a reduction of mail for our Electronic Processing Centre to manage, freeing up time to handle other mail such as Council Tax and Planning.

2.5.3 The table below details the payments made in 2014/15, including the prior year comparison. With the exception of a change in some qualifying criterion, it is recognised that the process review has significantly contributed to increasing the payments made for the more than 1,000 claimants, and for making the overall process easier.

2.5.4

Winter Payments	2013/14	2014/15
Payment amount per claim	£73	£79
Overall spend	£48,504	£82,476

2.6 Education Maintenance Allowance

2.6.1 Education Maintenance Allowances (EMAs) provide financial support to 16-19 year olds from low-income households who are attending non-advanced full-time education in school, college, community or voluntary provision, including Activity Agreements, or who are home educated. The EMA programme was introduced across the UK in academic year 2004-05. The programme targets young people from low-income households, and aims to increase participation and retention in post-compulsory education.

2.6.2 EMAs are paid under the Education Maintenance Allowances (Scotland) Regulations 2007 for courses of non-advanced education under the supervision of the education authority, and paid under the Education (Access Funds) (Scotland) Determination 2014 for courses of non-advanced education offered by colleges. Payments are only made if the pupil has maintained 100% weekly attendance.

2.6.3 The table below details the speed of processing of claims which is at 100%.

Educational Maintenance Allowance	
New Claims processed in 2014/15	1,279
Percentage of claims processed within 28 days of receipt of application/information	100%

2.7 Customer Income Maximisation

2.7.1

Financial benefit to the customer from advice given (£000)				
	2011/12	2012/13	2013/14	2014/15
Quarter 1	294	352	353	719
Quarter 2	573	659	217	1,100
Quarter 3	480	347	392	990
Quarter 4	387	945	673	1,166
Year to date	1,734	2,304	1,635	3,975

2.7.2 Income maximisation continues to support customers and maximising benefits awards. In addition to the change in role as reported at 2.5.2, other process improvements were implemented which provide business benefits including freeing up staff time to help customers. The additional financial gains by customers during 2014/15 reflect these changes in resource management and business processes.

2.8 Money Advice

2.8.1

Performance	2013/14				2014/15			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Customer Contacts	257	275	264	479	316	347	340	327
Total debt presented by clients (£m)	1,137	1,358	1,779	2,805	1,271	1,619	1,469	1,609
% queries completed in time from first contact to initial interview of 10 days	100	98.27	97.01	90.55	95.80	96.32	97.32	98.48

2.8.2 These indicators measure the number of customer contacts and levels of debt dealt with by the Council's Money Advice Team.

2.9 National Recruitment Portal

2.9.1 Led by the Head of People & Performance, the *TalentLink* online recruitment system, which is owned by CoSLA, was implemented in January 2015. It replaced CoSLA's former online recruitment system the *National Recruitment Portal* (NRP). Both systems enable applicants to apply for positions online, and allow Council Managers to complete the recruitment process electronically.

2.9.2 Any applications submitted in paper are processed in the Council's Electronic Processing Centre (EPC). EPC staff digitises and upload any paper submissions to ensure Managers/Lead officers have all applications available via one portal regardless of method of submission.

2.9.3

National Recruitment Portal/TalentLink	2013/14	2014/15			
	Q4	Q1	Q2	Q3	Q4
Number of posts advertised	455	630	643	387	539
Percentage of posts advertised on time	100%	100%	100%	100%	100%
Number (& percentage) of electronic applications	5,349 (96.5%)	6,440 (97.0%)	5,345 (95.8%)	3,389 (94.8%)	2,127 (93.6%)
Number (& percentage) of paper applications	194 (3.5%)	193 (3.0%)	228 (4.3%)	185 (5.2%)	145 (6.4%)
Number of paper applications processed within 2 working days	100%	100%	100%	100%	100%

2.9.4 All posts were advertised on time and all paper applications were processed within two working days.

2.9.5 There were fewer posts advertised in Q3 due to the introduction of the new TalentLink system. The increase in Q4 is due to inclusion of posts held from Q3 whilst the former NRP system was closed. The percentage of paper applications received show a slight increase on Q3 but the actual number of paper applications have reduced. The types of job being advertised can have a significant influence on the number of job applications being made. Performance reports will continue to report such during 2015/16 onwards.

2.9.6 The table below details the type of posts advertised during 2014/15.

Position Type	Q1	Q2	Q3	Q4
Full-time	53%	37%	46%	53%
Part-time	47%	63%	54%	47%
Total	100%	100%	100%	100%

2.10 Travel Desk

2.10.1 The Travel Desk is the corporate delivery model for the arrangement of business travel and accommodation. The booking process incorporates a number of control measures including the requirement for managers to approve the request prior to the commitment of budget.

2.10.2

Travel Desk	2013/14	2014/15			
	Q4	Q1	Q2	Q3	Q4
Number of requests	1,918	1,833	1,561	1,502	1,775
Percentage of requests processed in time	100%	100%	100%	100%	100%

2.10.3 The percentage of requests processed on time remains at 100%. Although the number of requests received in Q4 2014/15 show an increase compared to Q3, the number of requests are 7.5% lower compared to Q4 2013/14.

2.11 Single Grant Applications (SGAs)

2.11.1 Business Support provides support to a number of Council staff - including Ward Managers – in the administrative process of SGAs. The role is primarily logging SGAs (onto SharePoint), issuing an acknowledgment to customers and distribution of the SGAs to relevant staff.

2.11.2 There were 297 applications handled in Quarter 4 2014/15, with 241 in Quarter 3.

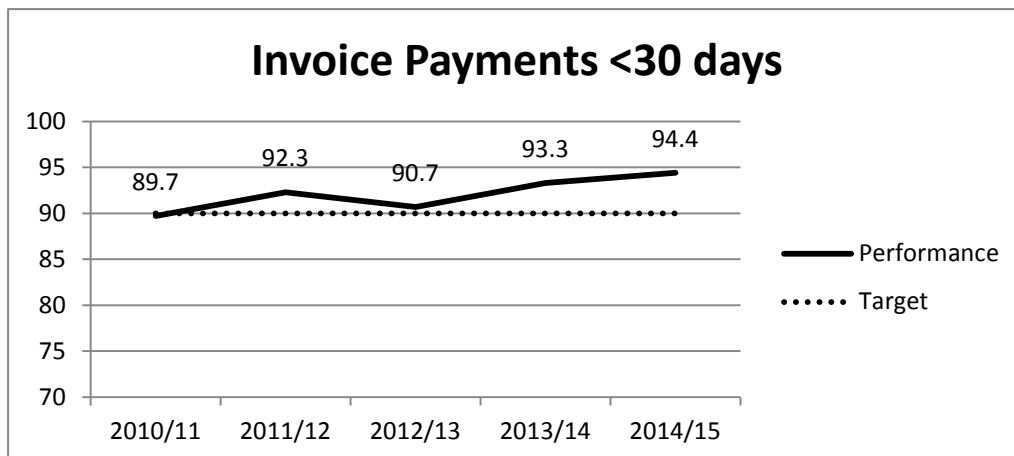
2.11.3

Single Grant Applications	2013/14	2014/15			
	Q4	Q1	Q2	Q3	Q4
Percentage logged, acknowledged & distributed within 5 days	98.9%	97.2%	96.0%	98.8%	99.0%

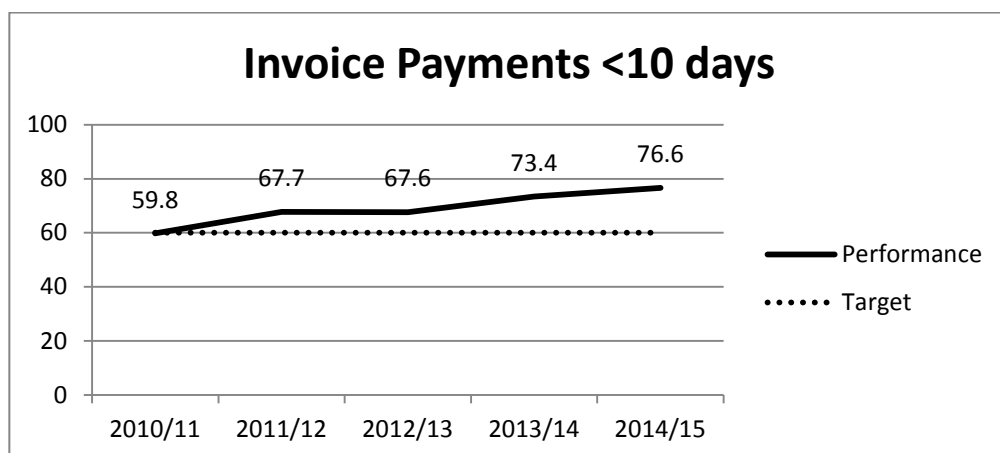
2.12

Payment of Invoices

2.12.1i



2.12.1ii



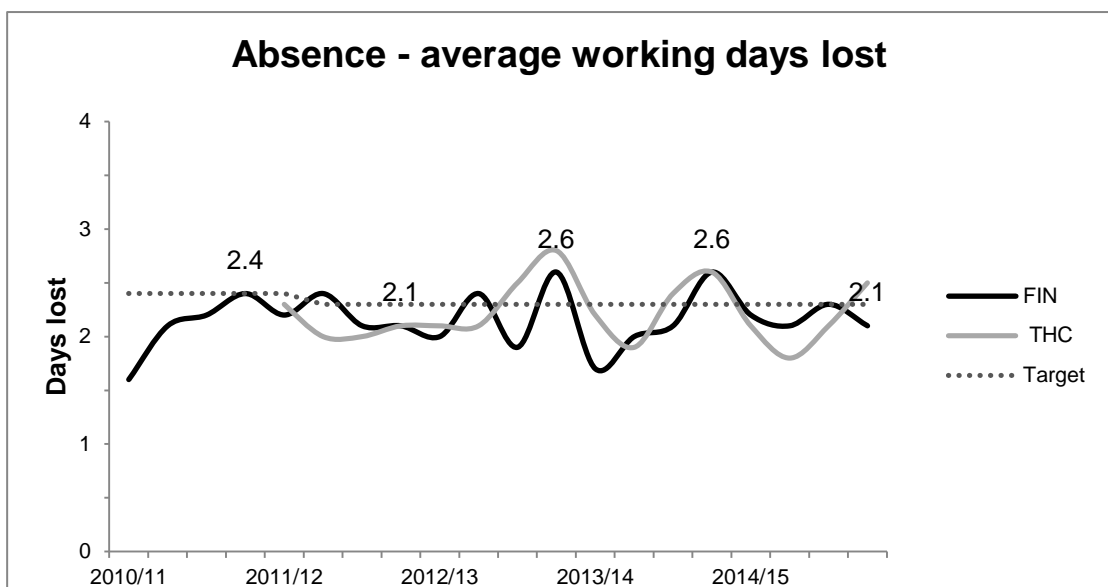
2.12.2 These indicators measure the efficiency of the Council as a whole in paying invoices. They look at the number of invoices paid within 30 calendar days and 10 days respectively of receipt, as a percentage of all invoices paid. Performance at Service level is detailed in Appendix 2.

2.12.3 Improvements have been achieved in the payment of invoices within both 30 days and 10 days compared to prior year's performance.

2.12.4 Such has been the improvement in performance, the Finance Service has increased the targets for 2015/16 to 95% and 77% within 30 days and 10 days, respectively.

2.13 Attendance Management

2.13.1



2.13.2 This indicator shows the average number of days' sickness absence per employee for the quarter. The latest statistics for the Finance Service show a decrease from 2.6 in 2013/14 to 2.1 in 2014/15 for the prior year period, and is also lower than The Highland Council's performance of 2.5 days reported for Q4 in 2014/15. The Finance Service Management Team continues to investigate and implement measures to reduce overall absence figures and ensure it remains below the Council average.

2.13.3 The service aims to keep staff absences as low as possible and follows the Council's personnel policies and guidance, implementing measures such as "return to work" interviews and discussions with staff.

3. Implications

3.1 There are no implications arising from this report.

Recommendations:

The Committee is asked to consider these statutory and key performance indicators.

Designation: Director of Finance

Author: Linda Thornton, Development Officer, Revenues and Business Support, Finance Service

Date: 7 May 2015

APPENDIX 1

Statutory Performance Indicators	Report ref:	Frequency
The average number of working days per employee lost through sickness absence for: b) All other local government employees	2.11	Quarterly
The gross administration cost per benefits case		Annual
The cost of collecting Council Tax per dwelling		Annual
Current year income from Council Tax: a) The income due from Council Tax for the year, net of relief and rebates b) The percentage of a) that was received during the year	2.1	Quarterly
The number of invoices paid within 30 calendar days of receipt as a percentage of all invoices paid	2.10	Quarterly
The number of invoices paid within 10 calendar days of receipt as a percentage of all invoices paid	2.10	Quarterly
Internal Audit - cost of audit/£1m net expenditure		Annual
Insurance - cost/claim processed		Annual
Creditors - unit cost/creditor invoice issued		Annual
Payroll - cost/payslip produced		Annual
Pensions - cost per member		Annual
Cost of Accounting % Net Rev Budget + HRA		Annual
Cost of completing the Annual Accounts		Annual
Cost NDR collection/chargeable property		Annual
% NDR collected by year end	2.2	Quarterly
Cost sundry debtors/debtors account issued		Annual
% income sundry debtors collected during year		Annual
Cost Corporate Finance % Net Revenue Budget		Annual
Cost Procurement section % Net Revenue Budget		Annual

Other performance measures	Report ref:	Frequency
Processing time benefit – new claims (average days)	2.4	Quarterly
Processing time benefit – change in circs (average days)	2.4	Quarterly
Number of customer contacts	2.6	Quarterly
Total debt presented by clients (£m)	2.6	Quarterly
% Money advice queries completed in time from first contact to initial interview (10days)	2.6	Quarterly
Increase in financial benefit to customers from the advice given	2.5	Quarterly
Business Improvement District (BID) Levy	2.3	Quarterly
Business Support - National Recruitment Portal	2.7	Quarterly
Business Support – Travel Desk	2.8	Quarterly
Business Support – Single Grant Applications	2.9	Quarterly

APPENDIX 2

Due to Council restructuring, performance data against the new Services for prior years is unknown.

INVOICE PAYMENT <10 DAYS					
DIRECTORATE	TARGET	2012/13 Q4	2013/14 Q4	2014/15 Q3	2014/15 Q4
Care & Learning Service	60%			68.9%	72.7%
Chief Executive's Office				71.2%	67.2%
Community Services				82.2%	83.7%
Corporate Development Service				74.1%	70.5%
Development & Infrastructure Service				84.8%	80.9%
Finance Service				87.6%	91.4%
Highland Council			65.5%	73.4%	76.5%

INVOICE PAYMENT <30 DAYS					
SERVICE	TARGET	2012/13 Q4	2013/14 Q4	2014/15 Q3	2014/15 Q4
Care & Learning Service	90%			93.3%	92.9%
Chief Executive's Office				93.1%	91.1%
Community Services				94.7%	94.8%
Corporate Development Service				93.1%	88.6%
Development & Infrastructure Service				89.8%	87.2%
Finance Service				99.4%	98.5%
Highland Council			90.7%	93.3%	93.8%